

REQUEST FOR PROPOSAL



Department of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section
206-684-1681 TTY Relay: 711

DATE ADVERTISED: **October 28, 2004**

RFP Title: **POS Credit Card Payments**

Requesting Dept./ Div.: **Department of Executive Services – Finance and Business Operations Division**

RFP Number: **161-04RLD**

Due Date: **November 30, 2004 – no later than 2:00 P.M.**

Buyer: Roy L. Dodman roy.dodman@metrokc.gov, (206) 263-4266

Pre-Proposal Conference:

A conference to discuss questions related to this RFP shall be held at **10:00 a.m. on Tuesday, November 16, 2004**, in Conference Room 8A on the 8th Floor of the Exchange Building, 821 Second Avenue, Seattle, WA 98104.

Sealed Proposals are hereby solicited and will **ONLY** be received by

**King County Procurement Services Section
Exchange Building, 8th Floor
821 Second Avenue
Seattle, WA 98104-1598**

Office Hours - 8:00 a.m. - 5:00 p.m.
Monday - Friday

SUBMITTERS MUST COMPLETE AND SIGN THE FORM BELOW (TYPE OR PRINT)

Company Name		
Address		City/State/Zip Code
Signature	Authorized Representative / Title	
E-mail	Phone	Fax

This Request for Proposal will be provided in alternative formats such as Braille, large print, audio cassette or computer disk for individuals with disabilities upon request.

Sealed proposals are hereby solicited and will be received only at the office of the King County Procurement Services Section at 821 Second Avenue, 8th Floor, Seattle, Washington, 98104 no later than 2 p.m. on the date noted above regarding *POS Credit Card Payments* for the *King County Department of Executive Services – Finance and Business Operations Division*. These services shall be provided to King County in accordance with the following and the attached instructions, requirements, and specifications.

Submittal: King County requires the Proposer to sign and return *this entire Request for Proposal (RFP) document*. The Proposer shall provide *one unbound original* and *four (4) copies* of the proposal response, data or attachments offered, for *five (5) items* total. The original in both cases shall be noted or stamped "Original".

Pre-Proposal Conference: A conference to discuss questions related to this RFP shall be held at 10:00 a.m. on Tuesday, November 16, 2004, in Conference Room 8A on the 8th Floor of the Exchange Building, 821 Second Avenue, Seattle, WA 98104. See link for driving instructions.

http://www.metrokc.gov/finance/procurement/find_us.asp

Questions: After the Pre-Proposal Conference, Proposers will be required to submit any further questions in writing prior to the close of business Wednesday, November 16, 2004 in order for staff to prepare any response required to be answered by Addendum. Questions are best received and most quickly responded to when sent via e-mail directly to the following King County procurement personnel: *Primary* – Roy L. Dodman, Senior Buyer roy.dodman@metrokc.gov / *Secondary* – Cathy M. Betts, Buyer cathy.betts@metrokc.gov. Questions may also be sent via fax or mail to the address above.

SECTION I – GENERAL INFORMATION

- A. King County is an Equal Opportunity Employer and does not discriminate against individuals or firms because of their race, color, creed, marital status, religion, age, sex, national origin, sexual orientation, or the presence of any mental, physical or sensory handicap in an otherwise qualified handicapped person.
- B. All submitted proposals and evaluation materials become public information and may be reviewed by appointment by anyone requesting to do so *at the conclusion* of the evaluation, negotiation, and award process. This process is concluded when a signed contract is completed between King County and the selected Contractor. Please note that if an interested party requests copies of submitted documents or evaluation materials, a standard King County copying charge per page must be received prior to processing the copies. King County *will not* make available photocopies of pre-printed brochures, catalogs, tear sheets or audio-visual materials that are submitted as support documents with a proposal. Those materials will be available for review at King County Procurement.
- C. No other distribution of proposals will be made by the Proposers prior to any public disclosure regarding the RFP, the proposal or any subsequent awards without written approval by King County. For this RFP all proposals received by King County shall remain valid for ninety (90) days from the date of submittal. All proposals received in response to this RFP will be retained.
- D. Proposals shall be prepared simply and economically, providing a straightforward and concise but complete and detailed description of the Proposer's abilities to meet the requirements of this RFP. Fancy bindings, colored displays and promotional materials are not desired. Emphasis shall be on completeness of content.
- E. King County reserves the right to reject any or all proposals that are deemed not responsive to its needs.
- F. In the event it becomes necessary to revise any part of this RFP, addenda shall be created and posted at the King County Procurement web site. Addenda will also be conveyed to those potential submitters providing an accurate e-mail address. If desired, a hard copy of any addenda may be provided upon request.
- G. King County is not liable for any cost incurred by the Proposer prior to issuing the contract.
- H. A contract may be negotiated with the Proposer whose proposal would be most advantageous to King County in the opinion of the King County Department of Executive Services, all factors considered. King County reserves the right to reject any or all proposals submitted.

- I. It is proposed that if a selection is made as a result of this RFP, a contract with a fixed price/prices will be negotiated. Negotiations may be undertaken with the Proposer who is considered to be the most suitable for the work. This RFP is primarily designed to identify the most qualified firm. Price and schedule will be negotiated with the "first choice" Proposer; negotiations may be instituted with the second choice and subsequent Proposer until the project is canceled or an acceptable contract is executed.
- J. This RFP shall be available for use by all King County Departments, Divisions and Agencies. If orders will be placed by the County's Transit Division, the Contractor will be required to sign and comply with the Federal Transit Administration's (FTA)'s required documentation.
- K. The contents of the proposal of the selected Proposer shall become contractual obligations if a contract ensues. Failure of the Proposer to accept these obligations may result in cancellation of their selection.
- L. A contract between the Contractor and King County shall include all documents mutually entered into specifically including the contract instrument, the RFP, and the response to the RFP. The contract must include, and be consistent with, the specifications and provisions stated in the RFP.
- M. News releases pertaining to this RFP, the services, or the project to which it relates, shall not be made without prior approval by, and then only in coordination with, the King County Department of Executive Services.
- N. King County Code 4.16.025 prohibits the acceptance of any proposal after the time and date specified on the Request for Proposal. There shall be no exceptions to this requirement.
- O. King County agencies' staffs are prohibited from speaking with potential Proposers about the project during the solicitation.

Please direct all questions to:

Roy L. Dodman / Senior Buyer
(206) 263-4266
roy.dodman@metrokc.gov

or Cathy M. Betts / Buyer
(206) 263-4267
cathy.betts@metrokc.gov

NOTE: Documents and other information is available in alternate formats for individuals with disabilities upon advance request by calling Mary Lou Allwine at 206-296-4210 or TTY711.

- P. Protest Procedure - King County has a process in place for receiving protests based upon either proposals or contract awards. If you would like to receive or review a copy, please contact the Buyer named on the front page of this document or call Procurement Services at 206-684-1681.
- Q. Term Service Requirement
If a contract is awarded based on this RFP, it may contain the following provision:

Contract Extension

The initial contract period will be for one (1) year from the start date of the contract. The term of the contract may be extended in one (1) year increments for four (4) additional one-year periods for a total contract duration of five (5) years, in accordance with the County's best interest and at the sole option of the County. Prices shall remain firm for the duration of the contract period. Reasonable price changes based on market conditions and price/cost analysis *may* be requested, if such escalations are based on changes in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U") for the Seattle-Tacoma-Bremerton Statistical Metropolitan Area for the preceding calendar year. You may obtain information about the CPI-U in general and the Seattle area in particular by visiting the United States Bureau of Labor Statistics web site at <http://www.bls.gov/cpi/>. In the event the CPI-U (or a successor or substitute index) is no longer published, a reliable government or other non-partisan index of inflation selected by the County shall be used to calculate any adjusted amounts. Requests for any such changes are to be made in writing to the Department of Executive Services, and approved by the County Executive or his/her designee. Any agreed-to change shall take effect at the time of the contract extension and shall remain in effect throughout the extension period. The parties hereto

recognize that such changes could be increases or decreases in the prices; both parties are entitled to benefit from such price changes.

- R. Electronic Commerce and Correspondence. King County is committed to reducing costs and facilitating quicker communication to the community by using electronic means to convey information. As such, most Invitations to Bid and Requests for Proposal, as well as related exhibits, appendices, and issued addenda can be found on the King County Internet Web Site, located at <http://www.metrokc.gov/finance/procurement>. Please refer to the "RFPs, RFQs & ITBs / New / Goods & Services" portion of the site (note: some documents or portions thereof may not be posted on the site. Please note any special messages regarding a particular solicitation). This information is posted at the Web Site as a *convenience* to the public, and is not intended to replace the King County process of formally requesting bid documents and providing the County with contact information for the potential proposer. Each proposer bears the responsibility to confirm the completeness and accuracy of all documents pertaining to a given solicitation, including the receipt of all issued addenda.

If a proposer downloads a document from the Web Site and does not contact the Procurement Office to obtain a hard copy, the proposer *must* use the "Feedback" (Envelope) button at the bottom of the Web page to convey the proposer's company name, contact name, mailing address, and phone/fax number to the County. Please note which document/documents were downloaded.

After proposals have been opened in public, the County will post a listing of the Contractors submitting proposals at the King County Internet site. Please refer to the "RFPs, RFQs & ITBs / Awarded / Goods & Services" portion of the site for a listing, as well as a notification of a final award.

Unless otherwise requested, letters and other transmittals pertaining to this RFP will be issued to the e-mail address noted in our files, and after submittal, noted on the first page of this document. If other personnel should be contacted via e-mail in the evaluation of this proposal, or to be notified of evaluation results, please complete the information in the table below.

Contact Name	Title	Phone	E-mail address

- S. Washington State Public Disclosure Act (RCW 42.17) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act, or are otherwise privileged.
- T. Proposals submitted under this RFP shall be considered public documents and with limited exceptions proposals that are recommended for contract award will be available for inspection and copying by the public.

If a Proposer considers any portion of his/her proposal to be protected under the law, the Proposer shall clearly identify on the page(s) affected such words as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET." The Proposer shall also use the descriptions above in the following table to identify the effected page number(s) and location(s) of any material to be considered as confidential (attach additional sheets as necessary). If a request is made for disclosure of such portion, the County will determine whether the material should be made available under the law. If the material is not exempt from public disclosure law, the County will notify the Proposer of the request and allow the Proposer ten (10) days to take whatever action it deems necessary to protect its interests. If the Proposer fails or neglects to take such action within said period, the County will release the portion of the Proposal deemed subject to disclosure. By submitting a Proposal, the Proposer assents to the procedure outlined in this paragraph and shall have no claim against the County on account of actions taken under such procedure.

Type of exemption	Beginning Page / Location	Ending Page / Location

- U. Proposers are urged to use recycled/recyclable products and both sides of paper for printed and photocopied materials, whenever practicable, in preparing responses to this RFP.
- V. Bid Identification Label: Please see the Bid Identification Label on the last page of this document.

SECTION II – PROJECT SPECIFICATIONS AND SCOPE OF WORK.

PART 1: Overview and Program Description

A: Overview

1. Purpose

The purpose of this Request for Proposal (RFP) is to select a qualified vendor to provide Third Party Processing Services for credit and debit card payments, in accordance with the terms and conditions of this RFP. Proposers should be prepared to offer all available mediums to process payments including telephone, kiosk, in-person, or through the mail. It is expected the contract will be in effect from January 1, 2004 through December 31, 2009.

2. King County Overview

King County, located in western Washington State, has a population of approximately 1.6 million people. The Municipality of King County is comprised of 15 departments, which perform a variety of functions including transit, courts and related legal services, public health services, detention, records and elections, property tax appraisal and collection, regional parks and facilities, and license sales.

The County Finance Director serves as ex-officio treasurer for over 100 special purpose districts, including fire, water, sewer, and school districts. The County provides general financial services, including investment, debt servicing, and warrant redemption, to the districts. The County cannot mandate that the districts use the provider selected in this process but it is expected that the majority of current credit card acceptors as well as future users will elect to do so.

3. Project Goals

King County has amended its current banking services contract to include credit card processing. A major goal of this RFP process is to replace that amendment with a separate contract agreement solely on credit and debit card payments. It is expected that this contract will provide a common pricing structure and array of services that will appeal to both County agencies as well as taxing districts.

By offering electric payment options, King County will provide an added convenience to its residents and commercial “customers” by allowing payments to be made utilizing credit/debit cards. Further, it hopes to reduce costs and streamline procedures by accepting electronic payments.

B. Current Acceptance Program Description

1. Background

In 1997, the Washington State Legislature passed legislation specifically dealing with the Counties’ ability to accept electronic payments (RCW 36.29.190). Counties are allowed to pay transaction costs for any type of electronic non-tax payment, including credit card payments, as long as the county legislative body approves doing so.

Various County departments have accepted credit card payments for a number of years. The Transit Department began accepting credit cards for bus passes in the early 1980s. The Parks Department has been accepting payments for recreational classes and facility rentals for well over fifteen years. More recently, the Finance and Business Operations Division (FBOD) began to accept Discover Card payments for property tax payments while both the Health and Solid Waste departments have begun accepting VISA / MasterCard payments at their various sites.

VISA and MasterCard, the Country’s two largest credit card providers, generally do not allow the merchant to pass transaction costs back to the customer. In order to accept payments using these cards, Transit, Parks, Solid Waste and the Health Department include these costs as part of their annual budget. FBOD uses Discover Card because that company allows a surcharge to be passed

on to consumers, thus avoiding the prohibition against paying credit card fees for the collection of taxes.

2. Activity Levels

The County departments that currently accept credit card payments and their 2003 activity are as follows:

	Volume	Revenue	Average	Fees
Transit	54,664	\$4,130,496	\$75.56	\$97,487
Parks	13,517	942,155	69.70	27,644
Solid Waste	215,670	6,051,124	28.06	141,254
Public Health	6,876	306,200	44.53	8,128
FBOD	181	447,924	2,474.72	3,640

Seven of the nineteen school districts, as well as the Puget Sound Educational Services District (PSESD), collect credit card payments. Those districts and their 2003 activity are:

	Volume	Revenue	Average	Fees
Auburn	42	1,761	41.92	59
Bellevue	4,826	1,366,087	283.07	33,299
Federal Way	2,395	254,515	106.27	6,994
Kent	17,712	740,000	41.78	28,881
Northshore	3,090	240,800	77.93	7,300
Riverview	N/A	N/A	N/A	N/A
Tahoma	250	53,258	213.03	2,064
PSESD	1,405	220,947	157.26	7,224

Auburn began a pilot project in September 2003, which they will expand in the current school year. Riverview has just started their program so data is not yet available.

Several utility districts accept credit card payments. They include:

	Volume	Revenue	Average	Fees
Covington Water	4,826	1,366,087	84.90	6,994
Highline Water	2,628	256,186	97.48	6,379
Lakehaven Utility	4,752	403,764	84.97	7,200
Midway Sewer	266	22,625	85.05	17,120
Soos Creek Sewer	6,249	696,474	111.45	17,120
Harborview	108,000	2,350,177	21.76	56,096
KCDA	4,000	765,000	191.25	118,177
Puget Sound Clean Air	46505	315,932	679.42	7,986

PART 2: SCOPE OF SERVICES

A. Scope of Work - Point of Sale

1. In-person / mail payments

The selected vendor will be required to support the credit / debit card activity of the specific County agencies listed above, except for FBOD for in-person and mail payments. Additionally, the service provider would be expected to support future agency implementations that fall within the scope of this RFP. It is understood that additional County agencies would be supported under the same terms and conditions as the specific applications listed in Attachment C.

The selected vendor will be required to support the credit / debit card activity of the specific special purpose districts detailed above for in-person and mail payments. Additionally, the service provider would be expected to support future district implementations that fall within the scope of this RFP. It is understood that an additional district would be supported under the same terms and conditions as the above specific applications.

2. Internet payments

The County has completed a pilot project that tested an Internet payment engine to process payments for property taxes and for pet licenses. During this pilot, the County utilized CyberSource as the secure Internet payment gateway of credit card payments for pet licenses and Amerinet for the processing of ACH debits for property tax payments. A separate bid process has just been completed and Link2Gov has been chosen as the vendor to handle Internet payments for County agencies when production is started in the very near future. Internet payments are not a part of this RFP. It is possible, though, that some districts and County agencies may establish an Internet capability for customers to provide credit card information when making payments. For those transactions, it is expected that the credit card transactions will be processed manually by the accepting agency rather than through the County's Internet payment engine through Link2Gov.

3. Interactive Voice Response (IVR) system payments

This RFP does not provide for the handling of credit card payments through an Automated Voice Response (IVR) system.

a. Scope of Work – Services to be provided

i. Processing Support for Multiple Brands and Types of Cards

The selected vendor must provide processing for multiple "brands" and types of cards. This RFP assumes that County agencies and districts will choose to accept one, several or all of the following cards: MasterCard, VISA, Discover, and American Express. The selected vendor must also be able to process debit transactions from major debit card networks such as Maestro and Accel / Exchange.

ii. Transaction Processing and Settlement

The selected vendor must be able to authorize and settle transactions through the appropriate authorization and settlement networks. Settlement must be made via the Automated Clearing House (ACH) to the appropriate bank account specified by the county agency or district.

iii. Reporting

Reporting capabilities must be flexible enough to allow each entity to choose the reports that meet their individual need. Each agency / district may or may not select the same reports or reporting frequency and the selected system must support that.

The vendor must be able to provide secure daily, weekly, and monthly detail and summary reports electronically to meet the needs of each application and to provide the necessary

information to receipt the electronic payments to the proper account. Reports should be available in alternative formats, such as mail and fax, if the respective organization does not want to receive the report in an electronic format.

iv. Billing and Administration

The selected vendor must provide a monthly invoice to each agency and district for all transaction costs, processing and other fees, associated with the transactions processed. The invoice must include sufficient backup documentation to support all costs, showing gross sales, net sales, and transaction costs. Each billing should include a breakout by each of the categories specified in the contractor's response.

v. Training and Consulting

The selected vendor must provide adequate training to each agency / district personnel related to credit / debit card processing prior to each entity's first live transaction. This training shall include, but is not limited to, procedures related to handling payments, processing chargebacks, processing retrievals (copy requests), accessing reports, and retrieving transaction data. Training is expected to be provided for each new installation beyond the initial startup.

vi. Hardware and Software

The selected vendor must provide all hardware and software necessary for agencies / districts to process credit and debit cards. Each agency or district will decide whether the equipment will be purchased or rented.

PART 3 – Minimum Vendor Qualifications

A: General Qualifications

1. Experience

The vendor must have at least five (5) years experience processing payment records and credit records transmitted for processing and settlement from major credit / debit card processing networks.

2. Legal Requirements

The vendor must, at the time of the proposal, or prior to that time if required by law, have all required licenses, bonding, facilities, equipment, and trained personnel necessary to perform the work as required in the RFP.

B. Processing and Settlement

1. Processing

The vendor must be able to accept payment and credit records directly from the agencies applications and / or third party vendors on behalf of the agencies and districts detailed in the Activity Levels section above.

2. Settlement

The vendor must provide settlement such that the proceeds from the payment and credit records are deposited into the designated bank account(s) no later than 48 hours after the payment and credit records are sent (batched) by the agency / district applications.

Settlement dollars cannot reside in an out-of-state bank prior to deposit into the designated bank account(s), per RCW 39.58.080. The vendor must provide daily gross settlement to each specified bank account and monthly invoicing of fees to each agency / district.

C. Customer Service

1. Customer Help

The vendor must provide a 24-hour, seven-days-a-week, toll free 1-800 Help Desk facility for customer assistance to agencies and districts using this contract.

2. Account Management

The vendor must assign an account representative who would be responsible for coordinating all activities necessary to service, train, and implement systems with all agencies that may come under this agreement.

The account representative proposed for this engagement must have a minimum of three years experience in providing credit/debit card services. The vendor must agree to provide the necessary staffing to meet all of the requirements detailed in this RFP.

PART 4 – Proposal Calendar (Tentative Schedule of Events)

Advertise RFP	October 28, 2004
Pre-proposal conference	November 16, 2004 at 10:00 a.m.
Proposals due to King County Procurement.....	November 30, 2004
Contract award	December 17, 2004
Contract negotiation completion	January 14, 2005
Implementation	February 1, 2005

PART 5 – Proposal Evaluation

A. Evaluation Procedures

1. Evaluation

The vendor must satisfy the requirements of this RFP to qualify for further consideration. An evaluation committee will perform a technical and financial evaluation of each response. It is important that each response is clear and complete so that the evaluators can adequately understand all aspects of the proposal.

2. Criteria

The evaluation committee will evaluate the proposals using the following criteria:

General qualifications / experience of the vendor.....	30 points
Vendor response to RFP	10 points
Reporting capabilities	10 points
Pricing	50 points
Written evaluation total points	100 points
Interviews (optional).....	30 points
Total possible points.....	130 points

If an award is not made based on the written evaluations along, oral interviews may be conducted with the highest ranked proposers. If interviews are conducted, they will be worth 30 points. Final award would then be based on the sum total of the written evaluations and oral interviews.

PART 6 – Proposal Format and Instructions to Proposers

A. Vendor Background and Qualifications (Attachment A)

B. Vendor Cost Proposal (Attachment B)

ATTACHMENT A – VENDOR BACKGROUND AND QUALIFICATIONS

In order to be responsive to this RFP, the vendor must respond completely, yet succinctly, to the questions below. Proposals that merely state that the firm can provide the requested services shall be considered non-responsive to this request.

Many questions can be answered with a brief response. Prepare your responses in the same order as the questionnaire, listing the question first followed by your answer.

SECTION I - ORGANIZATIONAL BACKGROUND

A. Organization

1. Provide a brief summary of your firm's experience and expertise as it relates to this RFP. At a minimum, the summary should how long your firm has been in business, how many years your firm has processed credit and debit card transactions, and the ownership structure of your firm.
2. Discuss the overall business objectives of your firm with respect to credit / debit transaction processing. Comment on any present or planned areas of emphasis over the life of this contract.
3. Briefly describe what distinguishes your firm from your competitors.
4. Discuss your commitment to quality. Include quality controls and measures used to evaluate credit / debit transaction processing, and provide any unique approaches that you have.

B. Personnel

1. Provide resumes of key individuals involved with credit / debit card services and account administration that would be assigned to King County.
2. Describe your approach to account administration, e.g., account team, client account executives, support by administrative units, etc.
3. Please elaborate on your support staff in terms of the size of the staff and the level of the person who would be assigned as the account representative.
4. Please detail the ability of personnel who would be assigned to the King County account to provide proactive technical assistance and training in the implementation of credit / debit card applications. Include examples of previous relevant work experience.

C. Customers

1. Provide at least three references, with telephone numbers of contact persons, whom we may call. Indicate the type of system and processing being utilized by each reference provided.
2. Provide the number of commercial and government accounts for whom you provide merchant card services, and the volume of transactions processed by your organization. How have these volumes changed over the last three years?

D. Internal Controls and Risk Management

1. Describe the system of controls that assure accuracy of the processing and reporting of credit / debit transaction processing.
2. Describe the procedures and provisions you have implemented to be employed in the event of disaster or equipment failure at your primary processing site(s).

SECTION II - SERVICES

A. Processing Functions/Networks

1. Provide a diagram reflecting the highlights of the accepting, authorizing, processing, and settling of credit and debit card transactions beginning with the point of sale to the deposit of funds. The diagram

must indicate the functions performed by the vendor and those performed by others. Include separate diagrams for credit and debit card processing.

2. As a processor, what network(s) will be used for routing credit card transactions?
3. What services are provided by the network(s)?
4. Are different networks used for different types of credit card processing applications? If so, explain. List all credit / debit processing networks your organization utilizes in providing processing and settlement.
5. What is the scheduled downtime for the network?
6. What backup procedures are available in the event of a network failure?
7. How will we be notified of network failure?
8. If the agency transmits data and there is a transmission failure, who is responsible for notification of the failure, how will it be discovered and when will it be communicated?
9. What number(s) are dialed to reach networks for authorization/batch processing? Are telecommunications charges incurred (long distance)? What options are available for communication connections, i.e., regular phone lines, special phone number, ISDN lines, etc. Describe the features of each type.
10. List various third party vendors with whom you have obtained or issued certifications for processing?
11. List any other services, which routinely are associated with payment and credit record processing that you could provide to King County.
12. Describe the electronic security features of the network.

B. Settlement

1. Discuss your operational procedures for settling payment and credit records, identifying: what time(s) batches sent to your organization for processing and settlement will be forwarded through the settlement network(s) for final settlement; the actual time after the cutoff for releasing batches when the money will be deposited into the agency' / district's designated bank account(s); any cutoff times that must be met to insure settlement by the times listed.
2. What financial institution is utilized for settlement purposes?
3. Describe your organization's approach to settlement problem resolution. Are problems resolved on a same-day basis? Is a toll free number provided for settlement problem resolution?

C. Acceptable Transactions

1. List all cards that can be processed through your system.
2. List any prohibited transactions, e.g., cash advances, cash refunds, cash back?
3. A convenience fee is a fee that is charged to a payer for the convenience of making a payment using a credit or debit card. Keeping in mind the state law that requires counties to pass on the transaction costs for any tax payments, as well as VISA / MasterCard guidelines, describe the procedures for assessing a convenience fee; note any differences in procedures by various card types, including debit cards.
4. By card type, indicate the methods that may be used for establishing the amount of a convenience fee:
 - i. Fixed amount for all transactions
 - ii. A percentage of the total transaction
 - iii. A tier charge based on a fixed range of sales
5. Can the convenience fee be used for in-person transactions? Please explain any restrictions.

6. What security procedures are required for the following:
 - POS terminals
 - Transactions on the Internet
 - Transaction receipts
 - Sales reports
7. Provide a copy of any terms and conditions for credit card processing that agencies / districts will be required to follow.

D. Reporting

1. Describe your organization's electronic reporting capability related to the requirements of this RFP including any specific requirements for access or compatible equipment. How soon after processing is completed are these reports available? How can these reports be securely accessed?
2. In addition to electronic access to reports, do you also provide secure access to transaction data files that might be used by agencies to interface the data directly into their internal systems if required?
3. Provide samples of both the standard detail and summary level reports you will provide to the agencies.
4. Provide detail computer requirements and data file specifications for electronic files and how these files would be securely transmitted to the agency or district.
5. Describe the process and timeframes used to notify customers of changes in file structure and specifications.

E. Billing and Administration

1. Describe your organization's ability to provide daily gross settlement and monthly billing for processing fees.
2. Detail any requirements your organization has related to billing each agency / district monthly for processing fees associated with payment and credit record processing.
3. Provide a sample of the invoice and supporting documentation.
4. Describe your procedures and requirements for handling charge backs. Specify the process when signed receipt is available and the process for telephone and/or Internet transactions. Includes copies of notices, advices, etc.
5. State your position on allowing any agency or district that has an application that fits within the scope of this request to join in the Agreement under the negotiated pricing schedule (Attachment B). Our objective is to be able to allow any agency or district to join in the contract and benefit from lower effective discount rates that might be achieved as a result of the larger volume of business that would be generated. Therefore, as other agencies join in the Agreement and total dollar volumes and transaction volumes increase, all agencies would enjoy a reduction in rates according to a tiered pricing schedule.

F. Training and Consulting

In most future implementations, agency and district personnel will be new to the world of credit / debit card processing.

1. Describe the training you would provide to agency / district personnel related to payment and credit card processing requirements, such as procedures for accepting credit/debit cards, security and fraud, completing a sale/refund, handling charge backs, accessing reports and transaction data, and/or any other processes and procedures which your organization may require.
2. To what extent is your organization willing to work in consultation with FBOD and agency or district personnel, contemplating implementation of credit / debit card applications, to advise the most cost efficient alternative and/or innovative solution?

3. Does your organization have a help desk or toll free number support available for use by agency and district personnel? Please describe the level of help available through the facility, the hours of operation, and any costs associated with this service.
4. Describe training delivery plans, i.e., on-site training, etc and the expected lead time to schedule this training.

G. Equipment and Software

1. Describe equipment available for standard point of sale (POS) applications, including credit and debit card processing. Provide brochures and specification sheets if possible. Describe purchase and lease / rental options available for such equipment.
2. Describe software available for use with existing PC based point of sale systems. Also describe plans for maintenance and support of software provided. Provide brochures and specification sheets if possible.
3. Describe the standard connectivity for your equipment. What is the average processing time for a credit card transaction using this equipment?

H. Transition

1. Describe your plan for transitioning existing credit card applications to your organization.
2. To avoid unnecessary costs, address how agencies and districts could use their existing equipment / systems instead of purchasing new ones. Include specific information on replacement equipment / software required. The vendor must support existing equipment or state any modifications / upgrades that would be required for this equipment to work in the new environment.

ATTACHMENT B – PRICING SCHEDULE

A. Instructions and Information

In preparing the fee schedule, vendors must consider the requirements in Section II, Scope of Services and additional information on transactions, application requirements and reporting as detailed in this RFP. The volume levels listed in the pricing schedule are based on the actual transactions from 2003. The County cannot guarantee that the special purpose districts will utilize this contract but it is expected that most will do so. During the life of the contract, volume levels for current applications are expected to rise and it is certain that new applications will be added.

The successful vendor will be required to submit separate invoices for payment to each agency or district participating in the agreement resulting from this RFP. All fees will be paid monthly in arrears. Invoices submitted for payment must be presented in sufficient detail to enable the agency or district to verify the charges to the fee schedules included in this proposal. Any fee not documented in these schedules will not be allowed during the contract period. Therefore, any fee charged by the successful vendor, which is not detailed in the fee schedule, **will not be paid**.

B. Vendor's Pricing

The vendor's proposed pricing schedule is divided into two elements. In responding to this RFP, the vendor must complete both parts. Part I deals with all cost elements not directly tied to individual transactions while Part II deals with those transaction costs.

The County recognizes that the vendors' approach to pricing is not uniform within the industry and has provided two different options for VISA and MasterCard transactions.

Option 1: Interchange and assessment costs incurred by the vendor will be passed directly to each agency or district on a monthly basis, AND, in the event Interchange increases or decreases at any transaction qualification level, the new rate will be passed directly to the agency. In addition, the processor charges a transaction fee.

Option 2: Charges are rolled into a composite rate including interchange, assessment and processor fees.

In completing Part II of the pricing schedule, the vendor is determining which method will result in the lowest cost to the County. For Option I, the County will use historical volume levels of VISA / MasterCard categories to evaluate your response. For Option 2, the composite rate will be applied against all volume levels regardless of the VISA / MasterCard categories.

VENDOR PRICING SCHEDULE (PART 1)

This schedule is meant to allow vendors to address all costs of services. Please ensure that all costs associated with the systems described in this RFP are included. Any fee not fully documented in your proposal will not be allowed during the course of the contract.

a. Monthly Service/Maintenance Charge

Specify terms for monthly charge, i.e., per
Agency / district per merchant identification number, etc. _____

b. Transaction Fees (other than Visa/MasterCard interchange)

- Contractor transaction fees _____
- _____
- Settlement Institution fees _____
- Other (specify) _____
- Other (specify) _____

c. Authorization Fees

- Discover / Novus _____
- American Express _____

d. Debit Card Transaction Fees

e. Electronic Check Fees

f. Reporting Fees

Specify terms, i.e., prices are per month, per report, etc.

- Daily Reports _____
- Monthly Reports _____
- Data File _____
- Software _____
- Other (Specify) _____

g. Help Desk

Specify terms: _____

h. Transaction authorization & processing software for
personal computer application (specify):

i. Hardware:

- Terminals (specify) _____
- Printers (specify) _____
- Pin/Pad (specify) _____
- Terminal/Printer (specify) _____
- Keyboard Swipe _____
- Other (specify) _____
- Other (specify) _____
- Other (specify) _____

j. Lease/rental equipment for pilot projects:

Specify _____

- k. Equipment maintenance/repair
Specify _____
- l. Volume Discounts:
Detail discount applied if transaction / dollar volumes reaches a specified level:

- m. Other Costs:
Detail any additional costs in the space provided:

All charges must be detailed on this schedule. Any charges, other than those included in Part 2, not listed in this Pricing Schedule will not be allowed during the course of the contract unless the scope of the contract is expanded to include additional services not requested herein.

VENDOR PRICING SCHEDULE (PART 2)

Option 1 – Fee Schedule Matrix

Please complete the following matrix by inserting the fee you propose for each VISA / MasterCard category listed below.

Visa Interchange Category	Interchange Rate	Interchange Per Item	Interchange Assessment	Processing Per Item
Credit Cards				
CPS Retail				
CPS Retail 2				
CPS Card Not Present				
EIRF				
CPS E-commerce Basic				
CPS E-commerce Preferred				
Standard				

Debit Cards

CPS Retail				
CPS Retail 2				
CPS Card Not Present				
EIRF				
CPS E-commerce Basic				
CPS E-commerce Preferred				
Standard				

MasterCard Interchange Category

Credit Cards				
Merit III				
Merit I				
Standard				

Debit Cards

Merit III				
Merit I				
Standard				

Option 2 - Fee Schedule Matrix

Please complete the following matrix by inserting the fee you propose for each transaction type listed below.

Agency / District	Average Ticket Amount (\$)	In Person Signature Captured	Mail Order/ Telephone Order		With Address Verification	
					Mail Order/ Telephone Order	
KC Parks	69.70					
KC Health	44.53					
KC Solid Waste	28.06					
KC Transit	75.56					
Auburn SD	41.92					
Bellevue SD	283.07					
Federal Way SD	106.27					
Kent SD	41.78					
Northshore SD	77.93					
Puget Sound ESD	157.26					
Tahoma SD	213.03					
Covington Water	84.90					
Harborview	21.76					
Highline Water	97.48					
KCDA	191.25					
Lakehaven Utility	84.97					
Midway Sewer	85.05					
Puget Sound Clean Air	679.42					
Soos Creek Sewer	111.45					

ATTACHMENT C – PRICING MATRIX

County Agency / District	Total	In-person	Mail	Internet	Sites	Sales	Average Ticket
King County DNRP / Parks	13,517	8,110	5,407	0	10	942,155	69.70
King County Public Health	6,876	6,876	0	0	6	306,200	44.53
King County Solid Waste *	215,670	215,670	0	0	12	6,051,124	28.06
King County Transit	54,664	45,918	8,746	0	3	4,130,496	75.56

Subtotal County Agencies	290,727	276,574	14,153	0		11,429,975	
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Auburn School District *	42	42	0	0	1	1,761	41.92
Bellevue School District *	4,826	483	4,343	0	4	1,366,087	283.07
Covington Water District *	3,689	2,463	6	1,220	1	313,180	84.90
Federal Way School District *	2,395	2,395	0	0	7	254,515	106.27
Harborview	108,000	97,200	10,800	0	7	2,350,177	21.76
Highline Water District *	2,628	2,628	0	0	1	256,186	97.48
KCDA	4,000	0	4,000	0	1	765,000	191.25
Kent School District	17,712	0	5,292	12,420	1	740,000	41.78
Lakehaven Utility District *	4,752	4,752	0	0	1	403,764	84.97
Midway Sewer District	266	3	0	0	1	22,625	85.05
Northshore School District	3,090	0	3,090	0	4	240,800	77.93
Puget Sound Clean Air Agency *	465	465	0	0	1	315,932	679.42
Puget Sound ESD	1,405	24	1,291	90	1	220,947	157.26
Soos Creek Sewer *	6,249	852	0	5,397	1	696,474	111.45
Tahoma School District	250	150	100	0	1	53,258	213.03

Subtotal Districts	159,769	111,457	28,922	19,127		8,000,706	
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* Owns equipment

SECTION III - NONDISCRIMINATION AND AFFIRMATIVE ACTION

If a contract is awarded from this Request for Proposal, it will contain the following contract language:

PART 1: NON-DISCRIMINATION

- A. King County Code Chapters 12.16, 12.17 and 12.18 are incorporated by reference as if fully set forth herein and such requirements apply to this Contract; provided however, that no specific levels of utilization of minorities and women in the workforce of the Contractor shall be required, and the Contractor is not required to grant any preferential treatment on the basis of race, sex, color, ethnicity or national origin in its employment practices; and provided further that, notwithstanding the foregoing, any affirmative action requirements set forth in any federal regulations, statutes or rules included or referenced in the contract documents shall continue to apply.
- B. During the performance of this Contract, neither the Contractor nor any party subcontracting under the authority of this Contract shall discriminate nor tolerate harassment on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or the presence of any sensory, mental, or physical disability in the employment or application for employment or in the administration or delivery of services or any other benefits under this Contract.
- C. The Contractor shall, prior to the commencement of the work and during the term of this Contract, furnish the County, upon request and on such forms as may be provided by the County, a report of the affirmative action taken by the Contractor in implementing the terms of this section. The Contractor will permit access by the County to the Contractor's records of employment, employment advertisements, application forms, other pertinent data and records related to this Contract for the purpose of monitoring and investigation to determine compliance with these requirements.
- D. The Contractor shall implement and carry out the obligations contained in its Affidavit and Certificate of Compliance regarding equal employment opportunity. Failure to implement and carry out such obligations in good faith may be considered by the County as a material breach of this Contract and grounds for withholding payment and/or termination of the Contract and dismissal of the Contractor.
- E. The Contractor shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, RCW Chapter 49.60 and Titles VI and VII of the Civil Rights Act of 1964.
- F. During the performance of this Contract, neither the Contractor nor any party subcontracting under the authority of this Contract shall engage in unfair employment practices. It is an unfair employment practice for any:
 - 1. Employer or labor organization to discriminate against any person with respect to referral, hiring, tenure, promotion, terms, conditions, wages or other privileges of employment;
 - 2. Employment agency or labor organization to discriminate against any person with respect to membership rights and privileges, admission to or participation in any guidance program, apprenticeship training program, or other occupational training program;
 - 3. Employer, employment agency, or labor organization to print, circulate, or cause to be printed, published or circulated, any statement, advertisement, or publication relating to employment or membership, or to use any form of application therefor, which indicates any discrimination unless based upon a bona fide occupational qualification;
 - 4. Employment agency to discriminate against any person with respect to any reference for employment or assignment to a particular job classification;
 - 5. Employer, employment agency or a labor organization to retaliate against any person because this person has opposed any practice forbidden by KCC Chapter 12.18 or because that person has made a charge, testified or assisted in any manner in any investigation, proceeding or hearing initiated under the provisions of KCC Chapter 12.18;

6. Publisher, firm, corporation, organization or association printing, publishing or circulating any newspaper, magazine or other written publication to print or cause to be printed or circulated any advertisement with knowledge that the same is in violation of KCC Chapter 12.18.030C., or to segregate and separately designate advertisements as applying only to men and women unless such discrimination is reasonably necessary to the normal operation of the particular business, enterprise or employment, unless based upon a bona fide occupational qualification; and/or
7. Employer to prohibit any person from speaking in a language other than English in the workplace unless:
 - a. The employer can show that requiring that employees speak English at certain times is justified by business necessity, and
 - b. The employer informs employees of the requirement and the consequences of violating the rule.

PART 2: REQUIRED SUBMITTALS

- A. All Contractors entering into a contract or agreement with King County valued at \$25,000 or more shall, after the proposer receives written notice of selection, submit the following:
 1. A Personnel Inventory Report on the form provided by the County.
 2. An Affidavit of Compliance demonstrating the Contractor's commitment to comply with the provisions of KCC Chapter 12.16.
 3. A Sworn Statement of Compliance with 12.16 from any labor union or employee referral agency that refers workers or employees or provides or supervises training programs from whom the Contractor obtains employees.
- B. The County will not execute any agreement or contract without prior receipt of fully executed forms listed in subparagraph A above.
- C. Assistance with the requirements of this Section and copies of Chapters 12.16, 12.17 and 12.18 are available from the Business Development & Contract Compliance (BDCC) Section, phone (206) 205-0700.

PART 3: NONDISCRIMINATION IN SUBCONTRACTING PRACTICES

- A. Compliance with Initiative 200. In accordance with the provisions of Washington Initiative 200, no County Minority and Women Business (M/WBE) utilization requirements shall apply to this Contract. No minimum level of M/WBE sub-contractor participation or purchase from M/WBE certified vendors is required and no preference will be given by the County to a bidder or Proposer for their M/WBE utilization or M/WBE status. Provided, however, that any affirmative action requirements set forth in any federal regulations or statutes included or referenced in the Contract documents will continue to apply.
- B. Non-Discrimination. During the term of this Contract, the Contractor shall not create barriers to open and fair opportunities to participate in County contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. In considering offers from and doing business with sub-contractors and suppliers, the Contractor shall not discriminate against any person on the basis of race, color, creed, religion, sex, age, nationality, marital status, sexual orientation or the presence of any mental or physical disability in an otherwise qualified disabled person.

During the performance of work performed under any Agreement resulting from this RFP, neither the Contractor nor any party subcontracting under the authority of the agreement shall discriminate or engage in unfair contracting practices prohibited by K.C.C. 12.17.

- C. Record-Keeping Requirements. The Contractor shall maintain, for at least 6 years after completion of all work under this contract, records and information necessary to document its level of utilization of M/WBEs and other businesses as sub-contractors and suppliers in this contract and in its overall public and private business activities for the same period. The Contractor shall also maintain, for at least 6 years after completion of all work under this contract, all written quotes, bids, estimates or proposals submitted to the Contractor by all businesses seeking to participate on this Contract. Contractor shall make such

documents available to the County for inspection and copying upon request. If this contract involves federal funds, Contractor shall comply with all record keeping requirements set forth in any federal rules, regulations or statutes included or referenced in the contract documents.

D. Open Competitive Opportunities. King County encourages the utilization of minority owned businesses ("MBEs") and women-owned businesses ("WBEs")(collectively, "M/WBEs") in County contracts. The County encourages the following practices to promote open competitive opportunities for small businesses including M/WBEs:

1. Attending a pre-bid or pre-solicitation conference, if scheduled by the County, to provide project information and to inform M/WBEs and other firms of contracting and subcontracting opportunities.
2. Placing all qualified small businesses attempting to do business in King County, including M/WBEs, on solicitation lists, and providing written notice of subcontracting opportunities to M/WBEs and all other small businesses capable of performing the work, including without limitation all businesses on any list provided by the County, in sufficient time to allow such businesses to respond to the written solicitations.
3. Breaking down total requirements into smaller tasks or quantities, where economically feasible, in order to permit maximum participation by small businesses including M/WBEs.
4. Establishing delivery schedules, where the requirements of this contract permit, that encourage participation by small businesses, including M/WBEs.
5. Providing small businesses including M/WBEs that express interest with adequate and timely information about plans, specifications, and requirements of the contract.
6. Utilizing the services of available community organizations, Contractor groups, local assistance offices, the County, and other organizations that provide assistance in the recruitment and placement of small businesses including M/WBEs.

Further, the County encourages small businesses, including M/WBEs, to participate in the following practices to promote open competitive opportunities:

1. Attending a pre-bid or pre-solicitation conference, if scheduled by the County, to receive project information and to inform prime bidders/proposers of contracting and subcontracting capabilities.
2. Requesting placement on solicitation lists, and receipt of written notice of subcontracting opportunities.
3. Utilizing the services of available community organizations, Contractor groups, local assistance offices, the County, and other organizations that provide assistance in the recruitment and placement of small businesses and M/WBEs.

E. Sanctions for Violations. Any violation of the mandatory requirements of the provisions of this Section shall be a material breach of contract for which the Contractor may be subject to damages and sanctions provided for by contract and by applicable law.

PART 4: REQUIREMENTS DURING WORK

A. Site Visits

King County may at any time visit the site of the work and the Contractor's office to review records related to actual utilization of and payments to subcontracting firms. The Contractor shall maintain sufficient records necessary to enable King County to review utilization of subcontracting firms. The Contractor shall provide every assistance requested by King County during such visits.

PART 5: COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED AND THE AMERICANS WITH DISABILITIES ACT OF 1990

The Contractor shall complete a Disability Self-Evaluation Questionnaire for all programs and services offered by the Contractor (including any services not subject to this Contract) and shall evaluate its services, programs and employment practices for compliance with Section 504 of the Rehabilitation Act of 1973, as amended

("504"), and the Americans with Disabilities Act of 1990 ("ADA"). The Contractor shall complete a 504/ADA Disability Assurance of Compliance prior to execution of a contract.

SECTION IV - GENERAL CONTRACT REQUIREMENTS

PART 1: TERMINATION CLAUSES

- A. This Contract may be terminated by the County without cause, in whole or in part, upon providing the Contractor ten (10) calendar days' advance written notice of the termination.

If the Contract is terminated pursuant to this Section IV, paragraph A: (1) the County will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination; and (2) the Contractor shall be released from any obligation to provide further services pursuant to the Contract.

- B. The County may terminate this Contract, in whole or in part, upon five (5) calendar days' advance written notice in the event: (1) the Contractor materially breaches any duty, obligation, or services required pursuant to this Contract, or (2) the duties, obligations, or services required herein become impossible, illegal, or not feasible.

If the Contract is terminated by the County pursuant to this Subsection IV(B) (1), the Contractor shall be liable for damages, including any additional costs of procurement of similar services from another source.

If the termination results from acts or omissions of the Contractor, including but not limited to misappropriation, nonperformance of required services or fiscal mismanagement, the Contractor shall return to the County immediately any funds, misappropriated or unexpended, which have been paid to the Contractor by the County.

- C. If expected or actual funding is withdrawn, reduced or limited in any way prior to the termination date set forth above in Section II or in any amendment hereto, the County may, upon written notice to the Contractor, immediately terminate this Contract in whole or in part.

If the Contract is terminated pursuant to this Section IV, paragraph C: (1) the County will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination; and (2) the Contractor shall be released from any obligation to provide further services pursuant to the Contract.

Funding under this Contract beyond the current appropriation year is conditional upon appropriation by the County Council of sufficient funds to support the activities described in this Contract. Should such an appropriation not be approved, this contract will terminate at the close of the current appropriation year.

- D. Nothing herein shall limit, waive, or extinguish any right or remedy provided by this Contract or law that either party may have in the event that the obligations, terms and conditions set forth in this Contract are breached by the other party.

PART 2: INDEMNIFICATION AND HOLD HARMLESS

- A. In providing services under this Contract, the Contractor is an *independent contractor*, and neither the Contractor nor its officers, agents or employees are an employee of the County for any purpose. The Contractor shall be responsible for all federal and/or state tax, industrial insurance, and Social Security liability that may result from the performance of and compensation for these services and shall make no claim of career service or civil service rights which may accrue to a County employee under state or local law.

The County assumes no responsibility for the payment of any compensation, wages, benefits or taxes to, or on behalf of, the Contractor, its employees or others by reason of this Contract. The Contractor shall protect, indemnify and save harmless the County, its officers, agents and employees from and against any and all claims, costs and/or losses whatsoever occurring or resulting from 1) the Contractor's failure to pay any such compensation, wages, benefits or taxes; and 2) the supplying to the Contractor of work, services, materials and/or supplies by Contractor employees or other suppliers in connection with the performance of this Contract.

- B. The Contractor further agrees that it is financially responsible for and shall repay the County all indicated amounts following an audit exception which occurs due to the negligence, intentional acts or failure for any reason to comply with the terms of this Contract by the Contractor, its officers, employees, agents and/or representatives. This duty to repay the County shall not be diminished or extinguished by the prior termination of the Contract pursuant to the Duration of Contract, or the Termination section.
- C. The Contractor shall protect, defend, indemnify, and save harmless the County, and the State of Washington (when any funds for this Contract are provided by the State of Washington)] their officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of the Contractor, its officers, employees, and/or agents. The Contractor agrees that its obligations under this subparagraph extend to any claim, demand and/or cause of action brought by or on behalf of any of its employees or agents. For this purpose, the Contractor by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event that County incurs attorney fees and/or costs in the defense of claims, for damages within the scope of this section, such fees and costs shall be recoverable from the Contractor. In addition King County shall be entitled to recover from the Contractor fees, and costs incurred to enforce the provisions of this section.

Claims shall include, but not be limited to, assertions that the use or transfer of any software, book, document, report, film, tape, or sound reproduction or material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, or otherwise results in unfair trade practice.

Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this agreement.

PART 3: INSURANCE

The selected Contractor shall furnish Commercial General Liability, to include Products and Completed Operations, in the amount of \$1,000,000 combined single limit; \$2,000,000 aggregate. In addition, evidence of Workers' Compensation and Stop-Gap Employer's Liability for a limit of \$1,000,000 shall be provided. Further, the selected Contractor shall furnish Professional Liability: Errors and Omissions in the amount of \$1,000,000 per claim/Aggregate.

Such policy/policies shall endorse King County, and its appointed and elected officials, officers, agents and employees as additional insureds.

King County reserves the right to approve deductible/self-insured retention levels and the acceptability of insurers.

PART 4: CORRECTIVE ACTION

If the County determines that a breach of contract has occurred, that is the Contractor has failed to comply with any terms or conditions of this Contract or the Contractor has failed to provide in any manner the work or services agreed to herein, and if the County deems said breach to warrant corrective action, the following sequential procedure will apply:

- A. The County will notify the Contractor in writing of the nature of the breach;
- B. The Contractor shall respond in writing within three (3) working days of its receipt of such notification, which response shall indicate the steps being taken to correct the specified deficiencies. The corrective action plan shall specify the proposed completion date for bringing the Contract into compliance, which date shall not be more than ten (10) days from the date of the Contractor's response; unless the County, at its sole discretion, specifies in writing an extension in the number of days to complete the corrective actions;
- C. The County will notify the Contractor in writing of the County's determination as to the sufficiency of the Contractor's corrective action plan. The determination of sufficiency of the Contractor's corrective plan shall be at the sole discretion of the County;

- D. In the event that the Contractor does not respond within the appropriate time with a corrective action plan, or the Contractor's corrective action plan is determined by the County to be insufficient, the County may commence termination of this Contract in whole or in part pursuant to Section IV.B;
- E. In addition, the County may withhold any payment owed the Contractor or prohibit the Contractor from incurring additional obligations of funds until the County is satisfied that corrective action has been taken or completed; and
- F. Nothing herein shall be deemed to affect or waive any rights the parties may have pursuant to Section IV, Termination Clauses, Subsections A, B, C, and D.

PART 5: ASSIGNMENT/SUBCONTRACTING

- A. The Contractor shall not assign or subcontract any portion of this Contract or transfer or assign any claim arising pursuant to this Contract without the written consent of the County. Said consent must be sought in writing by the Contractor not less than fifteen (15) calendar days prior to the date of any proposed assignment.
- B. "Subcontract" shall mean any agreement between the Contractor and a Subcontractor or between Subcontractors that is based on this Contract, provided that the term "subcontract" does not include the purchase of (i) support services not related to the subject matter of this contract, or (ii) supplies.

SECTION V - ADDITIONAL INFORMATION & REQUIREMENTS

- A. Non-Discrimination in Benefits to employees with Domestic Partners

King County's Equal Benefits (EB) Ordinance 14823 states that to be eligible for award of contracts at a cost of \$25,000.00 or more, firms must not discriminate in the provisions of employee benefits between employees with spouses, and employees with domestic partners. The successful Contractor, bidder or proposer shall be required to complete a Worksheet and Declaration form. Compliance with Ordinance 14823 is a mandatory condition for execution of a contract. The EB Compliance forms, and Ordinance 14823 are available online at: <http://www.metrokc.gov/finance/procurement/forms.asp>.

- B. Disclosure – Conflict of Interest

King County Code Chapter 3.04 is incorporated by reference as if fully set forth herein and the Contractor agrees to abide by all the conditions of said Chapter. Failure by the Contractor to comply with any requirements of this Chapter shall be a material breach of contract.

1. The Contractor covenants that no officer, employee, or agent of the County who exercises any functions or responsibilities in connection with the planning and implementation of the scope of services funded herein, or any other person who presently exercises any functions or responsibilities in connection with the planning and implementation of the scope of services funded herein shall have any personal financial interest, direct or indirect, in this Contract. The Contractor shall take appropriate steps to assure compliance with this provision.
2. If the Contractor violates the provisions of Section V (1) or does not disclose other interest required to be disclosed pursuant to King County Code Section 3.04.120, as amended, the County will not be liable for payment of services rendered pursuant to this Contract. Violation of this Section shall constitute a substantial breach of this Contract and grounds for termination pursuant to Section IV (B) above as well as any other right or remedy provided in this Contract or law.
3. The King County Board of Ethics maintains a website that provides information regarding King County ethics requirements. To review specific areas of the Code of Ethics that relate to contractors and vendors, follow this path: <http://www.metrokc.gov/ethics/>, and access 1) The Code of Ethics, "Employee Code of Ethics 3.04", and 2) Advice and Guidance "Doing Business with Contractors, Vendors, Clients and Customers". Under "Employee Code of Ethics 3.04", there are two areas of the code that speak specifically to contractors: 3.04.060 B1 (attempting to secure preferential treatment) and 3.04.120 (disclosure of interests by consultants requirement). There are other sections under conflict of interest, 3.04.030 that are directed to employees and govern their relationships with contractors.

C. Recycled/Recyclable Products

It is the policy of King County to use recycled materials to the maximum extent practicable (King County Code Chapter 10.16). Contractors able to supply products containing recycled materials that meet performance requirements are encouraged to offer them in bids and proposals and to use them wherever possible in fulfillment of contracts.

The Contractor shall use recycled paper for the production of all printed and photocopied documents related to the fulfillment of this Contract and shall ensure that, whenever possible, the cover page of each document printed on recycled paper bears an imprint identifying it as recycled paper. If the cost of recycled paper is more than fifteen percent higher than the cost of non-recycled paper, the Contractor may notify the Contract Administrator, who may waive the recycled paper requirement. The Contractor shall use both sides of paper sheets for copying and printing and shall use recycled/recyclable products wherever practical in the fulfillment of this Contract.

D. Proprietary Rights

The parties to this Contract hereby mutually agree that if any patentable or copyrightable material or article should result from the work described herein, all rights accruing from such material or article shall be the sole property of the County. The foregoing shall not apply to existing training materials, consulting aids, check lists and other materials and documents of the Contractor which are modified for use in the performance of this Contract.

E. Supported Employment Program

King County encourages the creation of supported employment programs for developmentally and/or severely disabled individuals. The County itself has such a program and is actively seeking to do business with those contractors and consultants that share this employment approach. If your firm has such a program, or intends to develop such a program during the life of this contract, please submit documentation supporting this claim with your bid/proposal/qualifications. If you have questions, or need additional information, please contact Ray Jensen, Community & Human Services, Developmental Disabilities Division, (206) 296-5268 or the County's Business Development and Contract Compliance Section at (206) 205-0700.

SECTION VI - MAINTENANCE OF RECORDS/AUDITS

- A. The Contractor shall maintain, and shall require any sub-contractor to maintain, accounts and records, including personnel, property, financial and programmatic records and other such records as may be deemed necessary by the County to ensure proper accounting for all project funds and compliance with this Contract. All such records shall sufficiently and properly reflect all direct and indirect costs of any nature expended and services provided in the performance of this Contract. The Contractor shall make such documents available to the County for inspection, copying, and auditing upon request.
- B. All records referenced in subsection (A) shall be maintained for a period of six (6) years after completion of work or termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14, or unless a longer retention period is required by law.
- C. The Contractor shall provide access to its facilities, including those of any sub-contractor, to the County, the state and/or federal agencies or officials at all reasonable times in order to monitor and evaluate the services provided under this Contract. The County will give advance notice to the Contractor in the case of fiscal audits to be conducted by the County.
- D. The Contractor agrees to cooperate with the County or its designee in the evaluation of services provided under this Contract and to make available all information reasonably required by any such evaluation process. The results and records of said evaluation shall be maintained and disclosed in accordance with RCW Chapter 42.17.
- E. If the Contractor received a total of \$500,000.00 or more in federal financial assistance during its fiscal year from the County, and is a non-profit organization or institution of higher learning or a hospital affiliated with

an institution of higher learning, and is, under this Contract, carrying out or administering a program or portion of a program, it shall have an independent audit conducted of its financial statement and condition, which shall comply with the requirements of GAAS (generally accepted auditing standards), GAO's Standards for Audits of Governmental Organizations, Programs, Activities, and Functions and OMB Circulars A-133 and A-128, as amended and as applicable. Contractors receiving federal funds from more than one County Department or Division shall be responsible for determining if the combined financial assistance is equal or greater than \$500,000.00. The Contractor shall provide one copy of the audit report to each County division providing federal financial assistance to the Contractor no later than six (6) months subsequent to the end of the Contractor's fiscal year.

SECTION VII – REQUIRED FORMS


The following completed forms will be required from the selected contractor, prior to contract award:

- A. King County Personnel Inventory Report
- B. Affidavit and Certificate of Compliance with King County Code 12.16
- C. Statement of Compliance - Union or Employee Referral Agency Statement (if applicable)
- D. King County Code 3.04.120 and Consultant Disclosure Form (if applicable)
- E. 504/ADA Disability Assurance of Compliance and Corrective Action Plan
- F. Equal Benefits Compliance Declaration Form

Copies of these forms are available by contacting the King County Procurement and Contract Services Division. They are available in paper form, or may be obtained via e-mail. Please contact Cathy Betts at 206-263-4267 or Roy L. Dodman at 206-263-4266, or by sending an e-mailed request to cathy.betts@metrokc.gov or roy.dodman@metrokc.gov.

SECTION VIII – BID PROPOSAL CHECKLIST

- A. One (1) signed copy of entire RFP package.
- B. One (1) signed copy of any Addendum that was issued. (If it has signature box at bottom of first page, it must be returned.)
- C. One (1) unbound copy of proposal response marked “Original.”
- D. Four (3) copies of proposal response.
- E. Complete the Bid Identification Label below (or reasonable facsimile) and attach it to a prominent place on the exterior of the submission envelope, box, etc.

URGENT – SEALED BID ENCLOSED Do Not Delay – Deliver Immediately	
	King County Procurement & Contract Services Section Exchange Building, 8 th Floor 821 2nd Ave, EXC-FI-0862 Seattle, WA 98104-1598
King County	
Bid No.	RFP 161-04RLD
Bid Title	POS Credit Card Payments
Due Date	
Vendor	